

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

January 27, 2020

The Board of Directors (the Board or Directors) of Porter Special Utility District (the District) met in regular session, at 7:00 p.m., at 22162 Water Well Road, Porter, Texas 77365, on Monday, January 27, 2020, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code.

1. **Call Meeting to Order** The President, after finding that the notice of the meeting was posted as required by law, called the meeting to order at 7:00 p.m. and declared it open for such business as may come before it.

- a. **Roll Call of the Board of Directors/Declaration of a Quorum**

Doug Pillow	President
Jodi Ruonavar	Vice-President
Caroline Denham	Secretary
Danny Bridges	Treasurer
Johnny Barr	Asst. Secretary-Treasurer
Jason Ashy	Director
Evelyn Satterwhite	Director

Director Denham took the roll, Directors Pillow, Ruonavar, Denham, and Ashy were present, thus constituting a quorum. Directors Bridges, Barr, and Satterwhite were absent. Also attending for the District were: Jon Polley of Radcliffe Bobbitt Adams Polley (General Counsel), Mike Kelly of Bleyl & Associates (Engineer), Katherine Turner of Municipal Accounts and Consulting (Municipal or Bookkeeper), Jeff Peters of Ardurra Group (GRP Engineer), Jonathon Smith (General Manager), Jim Ferguson (Operations Manager) and Amanda Phillips (Executive Administrator).

- b. **Director Qualifications and Disclosures**

Mr. Smith stated there are no updates of qualifications and disclosures.

- c. **Invocation**

Invocation led by Director Pillow.

d. Pledges of Allegiance

Pledges of Allegiance led by Director Ruonavar.

9. Supplemental Agenda

Mr. Polley explained the Supplemental Agenda is pertaining to information on the upcoming May 2, 2020 Elections. The filing deadline to be on the ballot is February 14, 2020.

B. Adopt Order Calling Directors Election scheduled for Saturday, May 2, 2020.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board adopted the Order Calling Directors Election scheduled for Saturday, May 2, 2020. Motion carried unanimously.

C. Determine canvassing date for May 2, 2020 Directors Election.

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board agreed to schedule a meeting of the Canvassing Authority made up of a minimum of two Directors no later than Monday, May 11, 2020 if necessary. Motion carried unanimously.

D. Authorize payment to Montgomery County for the joint election, if necessary.

Mr. Polley explained that the amount of the pro-rated share is unknown at this time.

Upon motion by Director Denham, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board authorized payment to Montgomery County for the joint election scheduled for Saturday, May 2, 2020. Motion carried unanimously.

2. Public Comment

No Public Comment

3. Review and Approve Minutes

The Board considered approval of the Minutes of the Regular Meeting of December 30, 2019.

Upon motion by Director Ashy, seconded by Director Pillow after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting of December 30, 2019 were approved subject to the requested correction. Motion carried unanimously.

4. Old Business

No Old Business was presented.

5. New Business

- a. Discuss and take action related to Section 4.4 "Service Deposit" of the Porter Special Utility District Rules and Regulations

Director Ashy brought to attention to the Board that customers are required to pay a deposit to the District for each connection they have. Mr. Smith confirms that the District requires a deposit for each account that customers start. Mr. Ashy asked if the customers are refunded the deposit amount when the account is closed. Mr. Smith stated that the deposit is refunded once the account is closed minus any remaining balance. No Action made on this item.

- b. Discuss and take action authorizing Director Fees of Office for Director Pillow and Director Denham for signing closing documents on January 21, 2020 for the new administration building property located at 24332 Loop 494

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved authorizing Director Fees of Office for Director Pillow and Director Denham for signing closing documents on January 21, 2020 for the new administration building property located at 24332 Loop 494. Motion carried unanimously.

- c. Discuss and take action authorizing one Director Fees of Office per month for Director Denham for drafting the board meeting minutes

Mr. Smith recommends a Fee of Office for Director Denham drafting the December Board Minutes, and for reviewing the Board Minutes on a monthly basis in the future.

Upon motion by Director Ruonavar, seconded by Director Pillow after full discussion with all Directors present voting aye, the Board approved authorizing one Director Fees of Office per month for Director Denham for drafting or reviewing the board meeting minutes. Motion carried unanimously.

- d. Discuss and take action regarding amending the Director Fees of Office and Expense Reimbursement Policy

Mr. Smith handed out Exhibit "A" a sample of a Director's Expense Report and a copy of the current Resolution Adopting Director Fees of Office and Expense Reimbursement Policy. Mr. Smith asked the Directors how they would like to change the policy. Mr. Smith stated the Directors are currently paid \$100.00 for Fees of Office and the State maximum is \$150.00 a day for Fees of Office, not to exceed a total of \$7,200.00 annually. Mr. Smith is requesting the Board to amend Exhibit "A", to the sample of a

Director's Expense Report provided by Municipal Accounts. Mr. Smith stated he liked the idea of the members of the Board reviewing Board reimbursements. The current policy requires the General Manager to review Board expenses and reimbursements. Director Ruonavar stated that we are one of largest water districts and pay the least to Directors for Fees of Office. Director Ashy stated that \$100.00 is sufficient for Directors Fee of Office, and that he likes Exhibit "A" for the new Director's Expense Report. Director Ashy stated he feels the General Manager should continue reviewing the expense and reimbursement reports and bring any discrepancies to the Board. Ms. Turner stated that Municipal Accounts also reviews the expense reports. Director Ruonavar asked Ms. Turner what the charges would be for Municipal Account to review, Ms. Turner stated it was not an additional charge. Mr. Smith recommends the Board to agree on a max amount of expense daily, in the Personnel Policies, it states \$200.00 daily for conferences. Mr. Polley stated that it is ambiguous if the \$200.00 daily allowance applies to Directors since it is in the Personnel Policy. Director Ashy stated that mileage should not be included in the allowance for food and incidentals. Director Denham asked Ms. Turner how other Districts handle reimbursements, she stated she has districts that set maximum amounts for meals. Director Pillow stated \$200.00 is too much and is requesting \$150.00 daily for food and incidentals at conferences. Director Ashy stated that as the Board we need to be good stewards of the Districts funds. Director Ashy asked if it was necessary for four Directors and a District employee to attend. Director Denham expressed how important it is to learn and gain knowledge from these conferences. Director Pillow stated \$150.00 is a fair amount for Director's expense, Director Ashy agrees. Director Ruonavar asked if mileage reimbursement would be separate from the \$150.00 daily for food and incidentals for conferences. Director Pillow and Director Ashy said yes, mileage reimbursement is separate, she stated she could agree to that.

Upon motion by Director Ashy, seconded by Director Pillow after full discussion with all Directors present voting aye, the Board approved Exhibit "A" as the new Director's Expense Report and setting food and incidentals at \$150.00 a day with mileage as a separate expense. Motion carried unanimously.

6. Financial Report by Municipal Accounts

a. Discuss and take action on the Financial Statements

Ms. Turner asked is the Board had any questions regarding the Financial Report. Director Ruonavar asked if the credit card issues have been resolved. Ms. Turner stated that she was contacted by BBVA regarding the application. Mr. Smith stated that the District will seek a corporate card if there are more issues. Director Ruonavar stated that the one week turn around for payment was ridiculous, the statute should be forty-five days to make payment for the District. Mr. Smith asked Ms. Turner if she could talk to her contact about the short time-period to pay the account and the late fees the District has incurred. Ms. Turner said she will send an e-mail. Director Ruonavar stated she wants to put a deadline on BBVA of two weeks. Mr. Smith responded he could only apply to deadlines on his part, he could not handle others to meet deadlines. Director Ruonavar asked Mr.

Smith to report back to the Board in his Manager's Report. Ms. Turner stated she did receive the letter from the TCEQ approving the change of 2019 Bond funds for the water meters, she has calculated how much has been spent from the Operating account. Director Pillow and Ms. Turner have signed documents to have the funds moved from the Amegy escrow account to Texpool. Ms. Turner stated once the funds are moved to Texpool she will reimburse the Operating account. Director Pillow asked if this included reimbursement for Well No. 9, Ms. Turner responded the Operating account has already been reimbursed for Well No. 9. Director Ruonavar asked if the ACH returned items listed in the Financial Report were returned checks, Ms. Turner responded they were credit card payments. Director Ruonavar stated JP4 has a hot check division. Director Denham asked what TML was in the report, Ms. Turner responded it stands for Texas Municipal League, the Districts insurer. Director Ruonavar asked how we are recovering the returned fees. Ms. Phillips responded if it is a returned check or card payment the customer is notified and given forty-eight hours to pay the returned amount and \$30.00 return fee. If the customer does not pay the returned amount and return fee in the allotted time they are disconnected and incur disconnect fees. Director Denham asked who got on the tollway. Ms. Phillips responded an employee was going to pick up parts from the Katy area and was given petty cash to use the toll road, instead of using the Sam Houston Tollway he went on the Grand Parkway. Director Ruonavar asked about GL Code 5110, for Employee Incentives, she requested a breakdown of the expenses. Director Ruonavar asked when the Directors would get that information, Mr. Smith responded he could get the information in his next General Manager Report. Mr. Smith stated the Christmas Party was a total of \$4,272.00 for hotel, DJ, decorations, games, gifts, and desserts. Director Ashy asked about the returned fees from Payclix for the credit cards, if the amount was the returned total or for fees. Ms. Turner stated it is the payments made and returned. Director Ruonavar asked what GL Code was 4250, Mr. Smith stated it was unplanned revenue and he would have to pull a breakdown. Director Denham asked why we are over budget on GL Code 5120, Uniforms. Mr. Smith responded this year we purchased uniforms after cancelling services with Cintas and the transition required additional expense. Director Ruonavar asked about GL Code 5170, Employee Expenses, Ms. Phillips explained this is also for mileage reimbursement for employees. Director Pillow asked if the employees could take a District truck, Ms. Phillips responded the District has no spare trucks. Mr. Smith stated Longevity Pay is included in Employee Incentive pay. Director Ruonavar asked about 7220, Office Equipment and 7230, Mobile Equipment. Director Denham asked what fell under Mobile Equipment, Mr. Smith responded the backhoe and trackhoe. Mr. Smith reminded the Directors the phone system was in 7220. Director Denham asked about GL Code 5180, small tools and equipment, stating we spend a lot for small tools and equipment. Ms. Phillips stated that Mr. Ferguson has implemented changes for purchasing small tools and equipment, employees are required to get approval from the Operations Manager before making any small tools and equipment purchases. Mr. Ferguson is requiring an inventory and monthly check on equipment on the trucks. Director Ruonavar asked about the expense of Janitorial Services, she asked if an employee could be responsible for cleaning the office. Ms. Phillips stated it had been practiced in the past and did not work out. Director Ashy asked if toilet paper, trash bags, and cleaners fell under Janitorial Services, Mr. Smith stated yes. Director Denham asked about GL Code 5170, Maintenance and Repair of Vehicles

stating we looked over budget. Director Denham asked if it included wrecked vehicles, Ms. Phillips stated yes, but it is also reimbursed by insurance payments. Mr. Smith stated the TML payments will show as income, so the over budget appearance is artificial. Director Denham asked when the painting project in the hallway would be completed, Mr. Smith responded hopefully soon. Director Denham asked if the employees are wearing their uniforms and name tags and asked if we have had to send any employees home for not doing so, Mr. Smith said not to his knowledge. Mr. Smith told the Board that part of the Financial Report was the last four Quarterly Investment Reports.

b. Review the following Quarterly Investment Reports

- i. Quarterly Investment Report for Period Ending February 28, 2019
- ii. Quarterly Investment Report for Period Ending May 31, 2019
- iii. Quarterly Investment Report for Period Ending August 31, 2019
- iv. Quarterly Investment Report for Period Ending November 30, 2019

Mr. Smith stated the Quarterly Investment Reports are not an action item and just for Director review and if they had any questions. Director Denham questioned why Electrical Field Services was listed in the GRP under professional services, Mr. Smith stated it could also be contract services.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved the Financial Report as presented. Motion carried unanimously.

Mr. Smith asked Ms. Turner if there were any highlights to the Quarterly Reporting. Ms. Turner gave a description of the contents of the Quarterly Report to the Board. Ms. Turner stated the District is in compliance. Ms. Turner stated Ghia Lewis and Mark Burton are the Districts Investment Officers. Ms. Turner stated she is no longer an Investment Officer because she retired from that position.

7. Groundwater Reduction Plan (GRP) by GRP Engineer and General Counsel

a. Update on Surface Water Treatment Plant Pilot Study

Mr. Peters updated the Board of the status of the Pilot Plants, the vendors are scheduling pick up of the units. Mr. Peters discussed salvage procedures for the damaged units still on site since the Hurricane Harvey flooding. Documentation of the salvage is imperative to have on record for FEMA. Mr. Peters stated he will soon have the Pilot Report for staff to review before sending to the TCEQ.

b. Update on FEMA Reimbursement

Mr. Peters stated he received checks and invoice records from District Staff that he has reviewed, a few more items are needed before sending the information off. Director Denham asked if we had found documentation of the hours worked, Mr. Peters stated no this was for items purchased for the project. Mr. Smith stated he did complete a Direct-Deposit Form from FEMA for reimbursement. Director Denham asked Mr. Smith if he would notify the Board when we receive monies from Texas Department of Emergency Management (on behalf of FEMA) in the District account, he stated he would. Mr. Peters explained that FEMA relies on the State organization TDEM (Texas Department of Emergency Management) to verify money is owed and to administer the money.

c. Update on HUD CDBG-MIT Program Grant

General Land Office is running the HUD CDBG-MIT program the District may apply for the grant up to 3 applications. A requirement to the grant is it must benefit LMI (low to moderate income). Mr. Peters is not sure if the whole District would be eligible as low to moderate income. The minimum grant amount is \$5,000,000.00, so it would need to be a substantial project. The District would need to administer the grant or hire administrator, and engineer, and need advertise for an RFQ. The cap for engineering fees is 15%, and the administrative fees are 6%.

The Board recessed for a break at 8:35 p.m. and reconvened at 8:50 p.m.

8. Engineering Report by Bleyl Engineering

a. Update on Developments

b. Update on General Fund Projects

- i. Discuss and take action regarding Pay Estimate No. 10 in the amount of \$108,144.00 for the Water Well No. 9 project by Weisinger Incorporated**

Mr. Kelly presented a revised Pay Estimate No.10 in the amount of \$107,694.00 for the Water Well No. 9 project by Weisinger Incorporated. Mr. Kelly and Mr. Smith will be meeting with Weisinger later in the week to discuss liquidated damages. Weisinger is requesting to reduce retainage from 10% to 5%, Mr. Kelly stated the District would still owe Weisinger \$108,594.00 after the District pays Pay Estimate No. 10.

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board voted to approve Pay Estimate No.10 in the amount of \$107,694.00 for the Water Well No. 9 project by Weisinger Incorporated.

c. Update on Impact Fee Capital Improvement Projects

- i. Discuss and take action authorizing Bleyl Engineering to proceed with the design of the US 59/69 Waterline Crossing project

Mr. Kelly and District Staff met about crossing US 59/69 at East Martin instead of Auburn Trails which would avoid the necessity of getting easements from property owners. Director Pillow asked Mr. Kelly how quickly they are wanting to get started on the project, Mr. Kelly stated the sooner the better. Mr. Kelly stated there are other locations that may make sense such as Wallis Drive were the District could upgrade from a three-inch line to a twelve-inch line. Mr. Kelly stated the preliminary engineering would give a more detailed scope of work. Director Pillow asked if the funds have already been approved with the 2019 Bond, Mr. Kelly said the Board could approve the project or \$6,000.00 for the preliminary engineering. Director Ashy asked if the project would go over the allotted amount, Mr. Kelly said only if the project scope is expanded and then the District could go to the TCEQ to amend for additional funds.

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board voted to approve authorizing Bleyl Engineering to proceed with the design of the US 59/69 Waterline Crossing project. Motion carries unanimously.

Director Ruonavar asked about 1-year tank warranty, she stated that a list of deficiencies was sent to the contractor to be addressed by the contractor. Director Ruonavar asked if the items would be covered by the contractor since the warranty ran out on January 9, 2020. Mr. Kelly responded yes because the contractor was notified of the deficiencies before the end of warranty date. Mr. Kelly stated the contractor's crew are out of state and will be scheduling to make repairs in March or April. Director Ruonavar asked about the Copeland booster pump startup and walk-through on January 14, 2020, if there was any information to report on that. Mr. Kelly stated there was leaking coupling and some minor items that have been taken care of. Mr. Smith stated the booster pumps have been tested, and the well is being cycled. Gemini will be out this week to meet with Steve from Water Utility Services to talk about disinfection of the aerator, piping, and booster pumps. Director Pillow inquired about the appearance of the water; Mr. Smith stated it looks completely different from a few months ago. Director Ruonavar asked how often the well is being flushed, Mr. Ferguson responded once a week, Mr. Kelly stated he would prefer it was done more often. Director Ruonavar requested if the water well could be operated more often. Director Denham asked if the safety climb had been installed, Mr. Smith stated it was installed in November. Director Ruonavar asked about the Sears Elevated Storage Tank, Mr. Kelly stated that he has been in contact with the contractor and they should be out soon. Director Ashy asked about preventative maintenance, Mr. Smith discussed plans to meet with Mr. Ferguson and establish a preventative maintenance program. Director Ashy asked about the status of easement acquisitions, Mr. Polley stated that Mr. Kelly and he are meeting with Elly Vecchio tomorrow. Director Denham mentioned about meter installation on Sorters Road because the meters are under water and full of mud.

Mr. Kelly asked about the status of meter installation in the District, Mr. Smith said the meter project was 68% complete. The District is still waiting on the larger meters to be delivered. Mr. Smith estimated six weeks until completion of the smaller meters. Director Pillow said he was told by the meter crew that the District is paying to reset the meters, Mr. Smith said we try to have District staff follow along to make such repairs but the meter installers have broken up into smaller crews and District staff is not always available.

10. General Counsel's Report

a. Update on Lone Star Groundwater Conservation District rules

Mr. Polley gave the Directors an update on Lone Star Groundwater Conservation District. Mr. Smith stated Lone Star selected WSP as the District hydrogeologist. Mr. Smith stated he would expect new rules from Lone Star in April 2020. Mr. Polley stated in December Lone Star's Board President resigned and they fired their hydrogeologist.

b. Update regarding the GRP Participation Agreements with Chateau Woods Municipal Utility District and Crystal Springs Water Company, including executive session regarding same

Mr. Polly had no update and stated the Board could discuss in executive session.

c. Annual review of Rate Order, amend as necessary

Mr. Polley stated both items c. and d. are annual items to be reviewed by the Board. Mr. Polley had no recommendations to change the Districts rates, the Auditors like to see that the District considered it and it notated in the minutes. Mr. Polley stated the consultant's contracts are up for review at any time.

d. Annual review of all consultant's contracts

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board voted to approve the Annual review of Rate Order, and the Annual review of all consultant's contracts. Motion carries unanimously.

e. Authorize filing of financial and tax-related information with Texas Comptroller pursuant to Texas Local Government Code, Sections 203.062 and 403.0241, for the Special Purpose District Public Information Database

Upon motion by Director Denham, seconded by Director Pillow after full discussion with all Directors present voting aye, the Board voted to authorize filing of financial and tax-related information with Texas Comptroller pursuant to Texas Local Government Code,

Sections 203.062 and 403.0241, for the Special Purpose District Public Information Database. Motion carries unanimously.

- f. Discuss and take action regarding amendment to the Wholesale Water Supply Agreement with Montgomery County MUD No. 24

The meter was originally planned to be located at Ford Road and Ricewood Drive, there is no room at the location to install a meter vault, so the meter was located at West Lake Houston Parkway, the contract needs to be changed to reflect what has actually occurred.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board voted to amend the Wholesale Water Supply Agreement with Montgomery County MUD No. 24. Motion carries unanimously.

11. General Manager's Report

- a. Maintenance of District property, facilities, and equipment, and personnel

Mr. Smith notified the Board that the 2004 Ford F-350 needs a new turbo, the repair is over \$2,500.00. Mr. Smith stated in February a Resolution to sell District property with a value over \$350.00 will be presented to the Board. Staff would like to sell the 2004 Ford F-350 due to the poor condition and age of vehicle.

- b. Discuss and take action related to the design and construction of the new administration building located at 24332 Loop 494.

Mr. Smith stated since the District has now acquired the property, the next step would be to contact an architect to discuss building design. Director Ashy asked about the budget for the new Administration Building. Mr. Smith stated there is a remaining budget of approximately \$648,000.00. Director Ruonavar stated the District needs to build for growth. No motion necessary.

- c. Discuss and take action regarding \$25 payment to District Staff for finding an illegal water connection made to the District's water system

Mr. Smith stated he wanted to formalize the \$25.00 finder's fee for staff finding illegal water connections on the District's water system.

Director Ashy asked if illegal connections were an issue in the District, Director Pillow said yes, that recently a connection was found with four homes on the service. Mr. Smith stated that he has innovative ways of finding illegal connections once the meter installations are completed.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board voted to authorize \$25 payment to

District Staff for finding an illegal water connection made to the District's water system. Motion carries unanimously.

- d. Discuss and take action authorizing General Manager attendance at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas

Director Ruonavar asked if the AWBD has released the amount of the registration fees yet, Mr. Smith stated he did not believe so. The registration starts at 10:00 am on February 5, 2020. Director Ruonavar stated she heard it would be all new classes at the conference. Director Ruonavar asked why Mr. Smith wanted to go so badly. Mr. Smith responded he found the AWBD Mid-Winter Conference very informational regarding water resource planning, subsidence, right of way, integrated water resource planning, and the active shooter class. Mr. Smith discussed the importance of the contract the District has with the City of Conroe for surface water rights, and the difficulty other Districts have with reserving surface water rights. Mr. Smith stated he will never recommend the District give up water or land. Mr. Pillow asked about the aquifer replenishment and recovery, Mr. Smith discussed it is the process of pumping surface water into the aquifer in times of excess. Mr. Smith also stated the AWBD Conference is a great time to network with people like Mike Turco with the Subsidence District. Mr. Smith stated that what the Subsidence District does south of us will affect our District, what our District pumps effects the population downstream. Director Pillow asked about the American Water Infrastructure Act 2018, Mr. Smith stated that Mr. Ferguson and he have had discussions about being in compliance with the act before June of 2021. Mr. Smith discussed in-depth the classes he attended at the AWBD Mid-Winter Conference; including a class with Elly Vecchio regarding condemnation, an Integrated Water Resource Planning class that gave him really great ideas for what the District could do with surface and groundwater rights. Mr. Smith stated that surface water is governed by the TCEQ while the groundwater is governed by the Groundwater Conservation Districts. Mr. Smith said he took a Subsidence class that had Mr. Turco as the speaker. Mr. Smith said his final class was Active Shooter, they showed a video of an active shooter at a board meeting. Director Ashy asked how many people from the District went to the AWBD Mid-Winter Conference, Director Ruonavar answered five, four Board Members and the General Manager.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board authorized the General Manager's attendance at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas. Motion carries unanimously.

- e. Discuss and take action authorizing Director attendance at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas

Director Pillow stated the event was educational, but he did not feel the Board received over \$6,000.00 worth of education from the AWBD Mid-Winter Conference. Director Pillow said the 2020 AWBD Annual Conference will be four-days long verses the two-day for the Mid-Winter Conference. Director Ashy stated the Directors should take different classes. Director Pillow asked if we should wait to vote when all Directors are present, Director Ruonavar stated that the registration is 10:00am on February 5, 2020. Director Pillow asked if a limit was set of two Directors attending the Conference, what happens if an absent Director says they want to go. Director Denham stated if they want to go that she would not. Director Pillow stated that two AWBD Conferences will be \$12,000.00 to \$14,000.00 annually, which he feels is a lot of money. Director Ashy stated he liked the idea of sending two Directors and the General Manager so that all three classes will be attended by the District.

The Board stated they would discuss further in Executive Session.

- f. Discuss and take action authorizing Director attendance at the upcoming Active Shooter training to be held at the District Office

Mr. Smith stated that he has scheduled Active Shooter Training on Thursday, February 6, 2020 with Officer Pina with the Montgomery County Sheriff Office. Mr. Smith stated calendar invites have been sent out to the Directors.

Upon motion by Director Pillow, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board authorized Director attendance at the upcoming Active Shooter training to be held at the District Office. Motion carries unanimously.

- g. Upcoming training opportunity for District management and supervisors at the TMUA Utility Leadership and Management Conference to be held June 17-19, 2020 at the Texas A&M Hotel and Conference Center in College Station, Texas

Mr. Smith discussed staff attendance to the TWUA Utility Leadership and Management Conference, he stated he spoke with supervisors and management who reviewed the agenda. District staff appreciated the opportunity to attend but did not feel it would be geared toward the District.

No Action on this item.

Director Denham asked about the nearly 30% water loss for the District in December. Mr. Smith stated that is the calculation of water pumped versus water sold. Mr. Smith informed the Board that members of staff attended a Water Loss Class presented by the Texas Water Development Board. The class discussed the Water Loss Survey that staff will be completing, and a Water Loss Audit. Mr. Smith stated the metering system should improve the District's accountability. Director Ruonavar asked that the Concerned Citizens Meetings be added to Meetings of Interest on the General

Manager's Report. Director Ruonavar stated the next meeting was at 6:30 pm, February 3, 2020 at the R.B. Tullis Library. Director Ruonavar asked about Well #5 on December 16th thru December 25, 2019. Mr. Smith stated nothing to his recollection, that it was not called to run those days. Director Ruonavar states there is a great big hole at Andrew from the release of water, she is asking if there is anything planned to put rock or cement down. Director Ruonavar stated she would point it out on her up coming plant tour with Mr. Ferguson. Director Denham asked why the District replaced a glass door on the excavator, Mr. Smith reminded her that the glass door was broken while employees where trying to remove the excavator while it was stuck in the mud. Director Ruonavar asked about the SCADA training, Mr. Ferguson responded it was a nice introductory to the gentleman who has been programing the system for the District. The staff has a good understanding of the system, employees have access, and were able to activate the Win-911 alarm communication system. Director Ashy asked about training with the new metering system and if it is integrated to the SCADA system. Mr. Smith responded the new meters are not a part of the SCADA system, it is a part of the billing system. There has been training with staff on the metering system and training will be ongoing. Mr. Smith stated the metering system can produce reports so staff can notify customers of leaks. Mr. Ashy is very concerned about the water loss, Mr. Smith stated he can not tell the Board why the readings were the way they were before. Mr. Ferguson said he feels that once the metering system is installed that the District will be able to focus on accuracy of water loss. Director Ruonavar gave kudos to employees completing classes.

12. Directors Comments

Director Ashy is requesting to discuss employee meal allowance at training at the next board meeting.

13. Executive Session

At any time during the meeting and in compliance with the Texas Open Meetings Act (Chapter 551), the Porter Special Utility Board of Directors may meet in executive session on any of the above agenda items for consultation concerning attorney-client matters (551.071); deliberation regarding real property (551.072); deliberation regarding prospective gifts (551.073); personnel matters (551.074); and deliberation regarding security devices (551.076). No action may be taken during executive session, therefore, following executive session, the Board of Directors will reconvene to an open meeting and take action as necessary.

Adjourn to Executive Session at 9:27 p.m.

Executive Session ended at 10:22 p.m. by Director Pillow

Regular Session resumed at 10:22 p.m. by Director Pillow

14. Action on Executive Session Items

Item 11E. was discussed in Executive Session.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board authorized two Directors (Director Denham and Director Ruonavar) attendance at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas. Motion carries unanimously.

15. Next Board Meeting


The next Regular Board Meeting is February 24, 2020 at 7:00 p.m. A Special Meeting is tentatively scheduled for February 10, 2020 at 7:00pm.

16. Adjournment There being no further business before the Board, upon motion by Director Ashy, seconded by Director Ruonavar after full discussion and all Directors present voting aye, the meeting was adjourned at 10:24 p.m.

PASSED and APPROVED this the 24th day of February 2020.



President, Board of Directors



Secretary, Board of Directors

